

MEETING NOTES BUILDING EMISSIONS PERFORMANCE STANDARD OPEN HOUSE #1 JULY 29, 2020

The purpose of this Open House was to:

- 1. Introduce residents and other stakeholders to the concept of a building performance standard;
- 2. Describe the policy development process;
- 3. Give attendees an opportunity to share what questions they'd like to see answered, and have input on the process moving forward.

Below are the questions and comments received from attendees during the open house. This feedback will help to inform the content and structure of upcoming meetings related to the development of the building performance standard policy.

What are your initial questions about this strategy?

Breakout Group 1:

- What authority does the City have in getting people to make investments to make buildings carbon neutral?
- Is Boston considering that type of approach, setting numerical standards for energy or carbon intensity on a square footage basis for buildings that would be covered by this new performance standard?
- Will the City be looking at not only the costs passed on, but benefits of reduced energy, like utility costs that would presumably result from greater energy efficiency (both costs and benefits). How would those balance out?
- Will the City have different training for different sectors?
- For multi-family properties, in NYC, owners are liable for tenant energy use. Do you know if that's something you all are planning for in Boston as well?
- Might there be group purchasing programs? Like a list of heat pump providers to say if you want us to send business your way, give a great price?
- Is the City doing case studies to capture health benefits and maintenance costs to put a quantifiable savings captured when we do these upgrades?

Breakout Group 3:

• What was the basis for selecting 20,000 sf? Finding the right size and balance is tricky. Smaller buildings may be challenged to comply, and I'm not sure if they will move the needle much. We need the buy-in from the big building owners. What's gained by lowering the threshold? As you get into smaller buildings, the equipment may be more antiquated, the reporting becomes cumbersome, and resources may be lacking. Many smaller buildings will not have the staffing capacity to do this.



Breakout Group 4:

- How are building owners and people in the real estate industry being included?
- How could financing mechanisms work and on what kind of schedule? How would investments be deployed across buildings and how would it be paid back?
- If the threshold is lowered to 25K initially, can we lower it again in the future? Breakout Group 5:
 - What are some of the ways the City is going to set the standards for different buildings? This seems like a complicated issue since buildings and their use are so different. Want to hear how they're approaching that problem.
 - How well will this dovetail with new zoning policies for new buildings? What we build is so far from carbon neutral, so the number of buildings we build are how many we will have to retrofit. How can we make this align so they don't have to retrofit down the road?
 - Will there be opportunities for building owners to opt out, apply for a waiver, etc? Will it be stringent enough that for the most part everyone will have to retrofit?
 - How does this policy development integrate with the Energy Efficiency Advisory Council and its process to update the energy efficiency program for Mass Save?
 - Data accuracy: Is there going to be some upgrade on quality control, some mechanism to encourage building owners to make sure information they submit is correct? Would be the same issue with carbon information, which is the basis of the policy. If it is inaccurate, not as helpful.

Breakout Group 6:

- How will multi-use buildings be treated under the standard (example of a university building with retail, lab and office)?
- What will the approach be (if any) for alternative compliance options under this policy? What does electrification look like especially for building complexes in academic institutions who have their own microgrids?

Breakout Group 7:

- Who's doing reporting for BERDO and holding them accountable for a 5 year period? And where do you go from there?
- Are there funds available to support these organizations and see where they stand? Breakout Group 8:
 - Are the program and associated standards going to be based on intensity on an absolute emissions basis?
 - How will condominiums be addressed in this standard?
 - What time frame is the City looking at for increasing the performance standards/reducing emissions? How long are the compliance periods? Do those periods become shorter?
 - What does the transition from an energy action and assessment requirement towards a performance standard look like? If an owner delivered an EEA this year



- what would obligation(s) apply five years out?
- Will there be a carbon standard for the heating source, or would it be based on technology introduced into the building. That is, would standards seek to reduce carbon content of exogenous energy sources going into buildings or look to reduce carbon emissions from buildings via building efficiency?
- Can owners bring in renewable energy certificates (RECs) from out-of-state or would the standard require the development or support of local renewable energy? Breakout Group 9:
 - What does effective enforcement look like? Conversely, what will the City do about the buildings that are already doing as much as they can to avoid penalizing buildings that can't do more?
 - What will the standards be set against historic performance or archetypes?
 - What is the timeframe for implementing this proposal?
 - How will the City address campuses versus individual buildings?
 - Will there be new tools or other support and definitions to help building owners to be able to report?

What concerns do you have?

Breakout Group 1:

- My biggest concern is how some of these retrofits and upgrades will impact residents in terms of displacement and increase in rent. The truth is, building owners already kick residents out to make upgrades and charge more for it. I'm really concerned about how those costs are going to get passed onto residents.
- Building owners will weigh the cost of non compliance and compliance, and hopefully incentives can help to come to compliance considering the greater good, but there are owners who will see the cost of noncompliance as easier to stomach than compliance. Any enforcement strategies being laid out, but hopefully the City will put something with backing into it to make sure building owners will do the right thing.

Breakout Group 2:

• Concerns about equity and the impacts of lowering the threshold on smaller buildings, including lower capacity for building managers.

Breakout Group 3:

- Old South Church has made significant investments to make its building more efficient. I have concerns about how to navigate the transition, how to fund it, what changes will be required, what resources will be available to move in that direction? Our new efficient systems don't work as well as one would hope. "State-of-the-art equipment" has had issues in working properly and meeting expectations.
- Not enough people trained in energy efficiency work need for training people to understand the types of energy efficient systems at a deep technical level.
- Installing new equipment in old buildings has challenges. Working with the equipment manufacturers can be problematic, as they don't necessarily understand the conditions in such buildings.



- I'm a believer in this type of initiative and the need to take action to prevent climate change. There also needs to be a balance—the requirements need to be achievable.
- The policy also needs to keep pace with what's technologically and economically feasible. Some organizations don't have the ability to spend lots of funds to achieve these types of goals.

Breakout Group 4:

- Is there going to be a mechanism so the costs that building owners may incur are not directly passed on to their tenants?
- What are the plans for making this process visible to the public?
- Does the City budget allow for more workers to administer the standard? Current setup is insufficient. What about inspectors? What other departments will be needed to make this work?

Breakout Group 5:

- In terms of data accuracy, how will we quantify GHG emissions?
- Why didn't the Carbon Free Boston technical analysis get all the way to zero? How do we close that gap?

Breakout Group 7:

- Concerns about the affordability and cost-effectiveness of energy conservation measures and options, including audits
- Historic buildings have somewhat more limited options, how will their goals reflect their particular needs?
- Need more outreach and more communication so that buildings are aware prior to target deadlines; this implies more dedicated full-time staff

Breakout Group 8:

• Some developers may build high-emitting buildings with minimal environmental standards to get subsidies later on to meet standards. How can we prevent developers from "gaming" the program?

Breakout Group 9:

- Concerned about looming eviction crisis and how to build back better, affordable housing include high performing buildings
- Would like to hear from the utilities to see how they can help through incentives, etc. How can we make their efforts and the City's efforts "line up"?
- How do we ensure this doesn't result in rent increases and to be sure positive benefits are flowing through to residents and not just big companies?

What opportunities do you see?

Breakout Group 1:

• Mass Save / utilities could offer programs specifically for electrification projects. Breakout Group 2:

- A lower building threshold could mean more small buildings become more energy efficient, might make sense to have different requirements or timelines (e.g., report only in first cycle)
- We need to support mid-size buildings to single-family. They need guidance and a roadmap to 2050 too.



• A portfolio approach means resources can first be focused on "laggard" buildings, and leave mid-range performance buildings until later on.

Breakout Group 3:

- Experience from managing MF housing, see opportunity for jobs and income security. Would like to see work with jobs committee to help develop sustainable jobs
- improve the equipment in HVAC manufacturing, as manufacturing firms are not always thinking with efficiency and conservation first.
- There's a real need for efficiency improvements in buildings. There's lots of focus on ventilation systems and indoor air quality right now with the COVID outbreak. This needs to take priority now, but hopefully energy efficiency can take a center stage again in the future.
- Requires educating the installers and ensuring they are not overpromising. It requires good commissioning and follow-up by the installers to ensure proper operation of the buildings. It also requires lots of education, particularly with new technologies. A positive example of this is Roxbury College's program for Building Operator Certification. Eventually these new areas of expertise become "old hat" after years of education and implementation, which is what we need.
- There's a need to educate everyone who will be affected, particularly on the cost savings opportunities. Taxes, utilities, and insurance encompass over 40% of a building owner's budget. If owners see the opportunities to save money, they will be more supportive and more likely to embrace the policy.

Breakout Group 4:

- How is the City working with local education institutions to train people to do the work? Do we assume trades will hire and train people? How does that work?
- Opportunity to address other climate impacts buildings should also be accounting for sea level rise and coastal storms
- Opportunity to raise BPS student awareness Roxbury Community College has several programs in this space, students could be more aware of the jobs pipeline.

Breakout Group 5:

- Jobs—local green jobs from technical schools in Boston.
- How can this be a policy that is a City-wide transformation? How can it highlight the need to take action on climate change? There is a huge education opportunity that comes from a policy of this scale.
- Want a pretty proactive pilot program that would do deep energy retrofit in different types and styles of buildings so people can figure out how to crack that
- Policy needs to be broadcast in branding exercises. Take a page out of Greenovate—developed by small businesses and create something 'sticky' to get people to come together. It could be within that brand or a separate brand but needs to be advertised.

Breakout Group 6:

- Opportunity for training and education. What are the ways we can share best practices to meet the standards for building owners, tenants, maintenance workers?
- Consider the regional implications of this policy. Avenues for collaboration and/or



coordination?

Breakout Group 7:

• Possibility for incentives

Breakout Group 9:

- Can gear the jobs pipeline for socially vulnerable communities to get the new jobs created by this policy
- Educate building owners and others about the program and impacts including residents of buildings
- Sharing best practices, getting building owners to compare notes and collaborate
- Train facility managers on campus or at buildings (Building Operator Certification)
- Give people opportunity to live in healthy buildings

How do you think this policy could affect you and your community?

Breakout Group 2:

• Need equitability for small landlords --- for example eviction hold right now, landlords need income or else loose properties

Breakout Group 4:

• Hoping it gets cooler in Boston!

Breakout Group 5:

- East Boston has a lot of multi-unit residential buildings, and new buildings may need to be upgraded in the near future if they aren't efficient
- Huntington Ave could become a challenge with traffic if equipment is moving to these buildings

What would you like to learn about in future meetings?

Breakout Group 1:

- How can large institutional buildings electrify heat and hot water?
- What sort of carrots in addition to sticks can be made available by the city or promoted?
- Case studies and progress reports
- Enforcement procedures
- Who has the responsibility of energy and cost and who benefits from the savings? Breakout Group 6:
 - Interested in learning more about financing options
 - What does electrifying a building look like practically speaking?

Breakout Group 9:

• Curious about the climate bank and what it would look like. Is that a new currency or a state chartered bank? How do we finance this work?